

Message Text

CONFIDENTIAL

PAGE 01 CARACA 11475 192244Z

46

ACTION EB-07

INFO OCT-01 ARA-06 ISO-00 FEA-01 SS-15 NSC-05 SP-02 OMB-01

COME-00 TRSE-00 CIEP-01 CEA-01 FPC-01 INT-05 L-02 H-01

STR-01 CIAE-00 INR-05 NSAE-00 RSC-01 /056 W

----- 033731

R 192200Z NOV 74

FM AMEMBASSY CARACAS

TO SECSTATE WASHDC 6661

C O N F I D E N T I A L CARACAS 11475

EO 11652: GDS

TAGS: ENRG VE

SUBJECT: TEXACO: CONVERSATION WITH LOCAL MANAGER; GENERAL VIEWS
OF VENEZUELAN ACTING MINISTER OF MINES

1. THIS MORNING I RECEIVED A VISIT FROM HANS TANNER, VENEZUELAN CHIEF OF TEXACO, WHO INFORMED ME CONFIDENTIALLY THAT HIS COMPANY IN NOW NO. FOUR IN PRODUCTION OF PETROLEUM IN VENEZUELA, CONTINUING AT AROUND 240,000 B/D AND THUS SUPPLANTING MOBIL AS NO. FOUR, WHOSE PRODUCTION HAS GONE DOWN TO 160,000 B/D.

2. TANNER SAID THAT ONLY YESTERDAY HE HAD HAD A VERY GRATIFYING INTERVIEW WITH REPRESENTATIVES OF THE MINISTRY OF MINES AND HYDROCARBONS AND PEOPLE FROM PRESIDENT PEREZ'S APPOINTED COMMISSION ON THE REVERSION OF THE OIL CONCESSIONS. HE SAID THE TALK HAD BEEN CORDIAL AND LOW KEY. WHAT DEVELOPED FROM IT WAS THAT THE VENEZUELAN HAD INDICATED THAT CVP WOULD BE CONCERNED ONLY WITH THE DOMESTIC PRODUCTION AND SALE OF PETROLEUM AND PRODUCTS BUT WOULD LEAVE TO THE EXISTING COMPANIES THEIR HISTORIC ROLE IN PRODUCTION AND SALE OF PETROLEUM AND PRODUCTS OVERSEAS.

3. TANNER SAID THAT IN HIS CONVERSATIONS IT WAS CLEAR THAT UNTIL THE VENEZUELAN DEVELOPED THE ESSENTIAL TECHNIQUES AND KNOW-HOW, THEY ARE RELUCTANT TO ENTER INTO THE OVERSEAS FIELD BUT DO WANT A FAIR SHARE

OF PROFITS TO BE MADE IN THIS ASPECT OF THE INDUSTRY. SO FAR AS
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 CARACA 11475 192244Z

FUTURE DEVELOPMENT WAS CONCERNED, TANNER SAID THE VENEZUELAN HAD

INDICATED THAT THEY WOULD BE WILLING TO GO INTO A PROFIT-SHARING ARRANGEMENT WITH TEXACO WHEREBY ALTHOUGH TEXACO MIGHT HAVE TO RISK CAPITAL TO BRING IN PRODUCTIVE WELLS, THE VENEZUELANS WOULD THEN GO SHARE AND SHARE ON THE CAPITAL AND OTHER COSTS OF EXPLOITING THESE WELLS. TANNER OFFERED THE OPINION THAT THIS WAS SIMILAR TO ARRANGEMENTS WHICH TEXACO HAD MADE IN OTHER PARTS OF THE WORLD, INCLUDING PERU AND INDONESIA. ON THE WHOLE HE SEEMED RELIEVED AND WITHOUT APPREHENSION THAT THE FOREIGN OIL COMPANIES WOULD BE WELL TREATED AFTER THE OFFICIAL REVERSION OF THEIR ASSETS.

4. FOLLOWING THIS CONVERSATION, IT CHANCED THAT PEREZ GUERRERO, WHO IS CURRENTLY ACTING MINISTER OF MINES AND HYDROCARBONS, AS WELL AS THE INFLUENTIAL ADVISER TO PRESIDENT PEREZ ON FOREIGN ECONOMIC MATTERS, CONFIRMED IN ESSENCE WHAT TANNER HAD TOLD ME. HE SAID, "WE INTEND TO BE REASONABLE AND THERE IS NO REASON WHY FOREIGN COMPANIES SHOULD HAVE ANY CONCERN AS TO FAIR TREATMENT." MCCLINTOCK

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: PETROLEUM INDUSTRY, PETROLEUM PRODUCTION, MEETINGS, FOREIGN POLICY POSITION, EXPLOITATION (NATURAL RESOURCES)
Control Number: n/a
Copy: SINGLE
Draft Date: 19 NOV 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: CollinP0
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974CARACA11475
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Film Number: D740335-0045
From: CARACAS
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19741132/aaaabauk.tel
Line Count: 78
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EB
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: CollinP0
Review Comment: n/a
Review Content Flags:
Review Date: 23 SEP 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <23 SEP 2002 by kelleyw0>; APPROVED <13 MAR 2003 by CollinP0>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: TEXACO: CONVERSATION WITH LOCAL MANAGER; GENERAL VIEWS OF VENEZUELAN ACTING MINISTER OF MINES
TAGS: ENRG, VE, TEXACO, (TANNER, HANS)
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005